

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 01187 180943Z

ACTION EB-08

INFO OCT-01 EUR-12 EA-07 IO-13 ISO-00 FEA-01 AGRE-00
CEA-01 CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05
CIEP-01 SS-15 STR-04 ITC-01 TRSE-00 USIA-06 PRS-01
SP-02 OMB-01 /108 W

-----181030 091917 /23-11

R 180852Z FEB 77

FM USMISSION GENEVA

TO SECSTATE WASHDC 5302

INFO AMEMBASSY HELSINKI

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS UNN

LIMITED OFFICIAL USE GENEVA 1187

PASS TREASURY

PASS STR

PASS COMMERCE

EB/OT/TA - DUNFORD

E.O. 11652: N/A

TAGS: GATT, ETRD

SUBJECT: GATT WP ON EXPORT INFLATION INSURANCE

REF: A. GENEVA 790; B. STATE 31476; C. TOKYO 1776

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 01187 180943Z

1. RECONVENING OF SUBJECT WP HAS NOW BEEN FINALIZED FOR MON-
DAY, 14 MARCH. PRINCIPAL DOCUMENTS ARE L/4467/ADD.1 (POUCHED
DIRECTLY TO DUNFORD, STATE; KELLY, STR; RAY, TREASURY;
MONTGOMERY, COMMERCE, ON FEB 8) AND L/4464, WHICH WAS POUCHED
NORMAL WASHINGTON DISTRIBUTION TWO WEEKS EARLIER.

2. ASSUME U.S. WILL WISH TO RESIST DISCUSSION OF EXCHANGE

LOSS GUARANTEE SCHEMES (76 GENEVA 8880) AND TAX FREE LOSS RESERVES (REFTEL C). WITH RESPECT TO LATTER, WOULD WELCOME INDICATION WHETHER WE CAN NOW APPROACH JAPANESE TO REASSURE THEM THAT WE WILL RESIST DISCUSSION TAX FREE LOSS RESERVES IN THIS WP. IF SO, BELIEVE WE SHOULD ALSO BE AUTHORIZED APPROACH OTHER PERTINENT GENEVA DELS SOON AND ATTEMPT ENLIST THEIR SUPPORT IN THIS ENDEAVOR.

3. AS WASHINGTON WILL RECALL FROM 76 GENEVA 8880, EC HAS STATED THEY WILL "INSIST" THAT WP EXAMINE OTHER MEASURES ATTENUATING OR COMPENSATING FOR THE EFFECTS OF EXPORT INFLATION INSURANCE SCHEMES UNLESS IT CAN BE CLEARLY SHOWN THAT OTHER MEASURES ARE DIRECTLY AND NARROWLY PERTINENT TO TERMS OF REFERENCE. OF COURSE, IT IS UNREALISTIC TO EXPECT WP IN THE NEAR FUTURE TO DECIDE THAT EXPORT INFLATION INSURANCE SCHEMES ARE ILLEGAL. THIS IS A REFLECTION OF THE FACT THAT WE HAVE INVITED BROAD PARTICIPATION IN WP BY AS MANY COUNTRIES HAVING SUCH SCHEMES AS POSSIBLE. THEREFORE ASSUME OUR GOALS CONTINUE TO BE (A) TO EXERT PRESSURE ON THOSE COUNTRIES HAVING THE MOST ONEROUS SCHEMES, PARTICULARLY FRANCE, TO MODERATE THEM OR TO BEGIN PHASING THEM OUT, (B) TO BE SUPPORTIVE OF EC COMMISSION EFFORTS TO PHASE OUT MEMBER STATE SCHEMES, (C) TO DISCOURAGE THE PROLIFERATION OF SUCH DEVICES.

4. WHETHER WE INTEND SUCH A LINKAGE OR NOT, SOME COUNTRIES VIEW OUR EFFORTS ON EXPORT INFLATION LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 01187 180943Z

INSURANCE AS A MEANS OF SPREADING THE BLAME ON EXPORT SUBSIDY MEASURES WHICH HAS BEFALLEN THE U.S. AS A RESULT OF THE DISC PANEL FINDINGS. WHILE WE ENDEAVOR TO ASSURE OTHERS THAT WE WOULD BE CONCERNED ABOUT EXPORT INFLATION INSURANCE PROGRAMS IRRESPECTIVE OF EXISTENCE OR GATT LEGAL STATUS OF THE DISC, WASHINGTON SHOULD BE AWARE OF THIS PERCEPTION OF OUR OVERALL STRATEGY.

5. WOULD WELCOME EARLY INSTRUCTIONS ON POINTS RAISED ABOVE IN ORDER THAT WEY MAY MAKE GOOD USE OF THE TIME AVAILABLE TO US BEFORE THE WP BEGINS ON MARCH 14. CATTO

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INFLATION, EXPORT INSURANCE
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977GENEVA01187
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770058-0574
Format: TEL
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770228/aaaaayrj.tel
Line Count: 109
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4ea57cc4-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 GENEVA 790, 77 STATE 31476, 77 TOKYO 1776
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3284324
Secure: OPEN
Status: NATIVE
Subject: GATT WP ON EXPORT INFLATION INSURANCE
TAGS: ETRD, GATT
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/4ea57cc4-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009